1. Administration.

a. Army Materiel Command (AMC) was host for the meeting, which was held in Warren, Michigan. COL Hills, AMC, opened the meeting by welcoming the participants (TAB A) and then turned the forum over to Mr. Thomas, TACOM, who provided initial administrative support comments.

b. COL Hills thanked Mr. Thomas for setting up and hosting the meeting. COL Hills related that the first day of the meeting would be devoted to discussing NPO business processes and the second day would be a review of current ISM activities and capabilities briefings. He mentioned an annual "readiness" conference that GEN Coburn, CG AMC, wanted, which the AMC DCSLOG, MG Deyermond, will have the lead. First conference is expected to be held within the next 6-months. AMC has four "pillars", Depot Maintenance, Arsenals, National Maintenance & Readiness. COL Hills turned the forum over to Mr. Koedding, Corporate Board Recorder, who reviewed the agenda (TAB B), key dates for the National Program Office (NPO) and related events and solicited articles for the third edition of Volume III of the ISM/SSF newsletter "Nuts & Bolts". Key discussions are highlighted below.

2. Topics.

a. **Charter Review.** COL Hills, Director NPO, presented where we (Corporate Board) need to be headed (TAB E). Under the National Maintenance Program (NMP), AMC is executing the mission that HQDA has given it. This is a thought process that we are going through. This forum needs to identify and work the issues, review doctrine and get back to proper staffing. Decision authority will be with the GO 2-Star level. This forum will recognize, capture and recommend (gain consensus) the issues to go to the GO level. Want to put together a rough draft of a re-charter to provide to voting members for comment. This is the best forum to address the MACOM issues to feed a readiness conference. The NPO is transitioning ISM to NMP and it will be addressed under a SSF/NMP GOSC. (Could this forum be followed by a one-day workgroup?) This is not a decision making body for the higher order issues. Example: Army Component Repair Companies. Good issue, but not for this forum to make a decision on - recommendations, yes. Depot Maintenance Corporate Board Charter was made available as a reference. Mr. Lowman, HQDA ODCSLOG, provided some background information regarding this board. Currently the "Warfighters" are not represented on the board.

Both the ARNG/USAR are represented since they have their own
Depot MDEP. Mr. Cowan, Jr., FORSCOM, suggested that maybe there
should be one board by deleting the "depot" and make it
"maintenance". However, it was stated that the Depot board is
working "strategy" and not the lower level "operational" issues.
The discussion turned to asking are we ready for a maintenance
Council of Colonels (CoC). It was suggested that a CoC should be
able to reach a consensus and only elevate those issues to a GO
forum (GOSC/GOWG) that consensus could not be reached. This
forum should work the issues, capture them and assign
responsibility. How AMC implements the NMP is a GOSC/GOWG issue
but with input from this forum. Mr. D. R. Brown, USARPAC,
suggested that the ISM Corporate Board needs to be re-chartered
given the completed implementation of ISM. Who will work the
issues that come out of a GO Readiness Conference? This board is
not organized and focused to work these issues. LTC(P) Chambers,
USAREUR, advocated the need for a CoC that works the issues and
agenda on a quarterly basis and to provide the MACOM issues to a
GO forum. LTC Todorowoski, SSF, related that the SSF PM works
the issues and the agenda that feeds the SSF GOSC/GOWG.

     b. Labor Reimbursement – Active vs ARNG. Ms. Carter, East
RSMM, provided some background information regarding how large a
COE "player" the ARNG has become in the East Region (TAB F). The
Active Component is concerned about having to pay for ARNG labor.
A concern with the AC installations is sending out more hours
than they are getting in. This in turn causes the installation
to consider "balancing" their workload causing possible COE
"violations". LTC Todorowski, Dep PM SSF, reminded the board
that the current ISM program will remain the same, operationally,
as it is today over the next few years. After which, under SSF,
the installations will see changes in workload distribution. The
ARNG is not making a "profit" but it is a "loss" to the AC OMA.
Even though the work is being sent off post to the ARNG it is
still at a reduced rate to the AC. It was agreed that under SSF
that this issue will go away. LTC Todorowski, SSF, indicated
that under SSF the workload may/will go down. If installations
are having problems today with workloading the man-hours, it
probably won't get better under SSF. The problem is with going
across appropriations. The ARNG must pay OMA labor dollars.
There is a 25% (of indirect costs) addition to the ARNG bill to
the customer. Issue: OMA "drain" under the current environment.
It was asked if Credit tables, "to be published", will take into
consideration the extra cost of doing business with the ARNG?

     c. PM Single Stock Fund Update. LTC Todorowski, Dep PM
SSF, provided an update on the SSF program (TAB G). In his
introduction he covered the fundamentals of SSF. Showed how we
are doing business today and the SSF Campaign Plan approved in

1997. MS1A was added to align SSF implementation with the budget process. He showed key differences between current business processes and MS1 & MS2; Inventory Visibility, Finance, Logistics, and Information Technology. He highlighted what would not change – Goal: no visible changes to the soldier/Warfighter. A timeline was shown with critical events for moving towards MS1 & 2 implementation. IPB for implementation – automation linkages are critical (highest risk), as is the SSF Demonstration. Showed the 4-Phased Demonstration Strategy. The Demonstration is not the MS III solution. Wholesale level Asset Visibility will only be for the three demonstration installations. Finally, he covered impacts of SSF on the "resource community".

       d. National Maintenance Program/Policy. Mr. Lowman, HQDA ODCSLOG, presented the new policy for the National Maintenance Program (TAB H). DA has categorized maintenance into two levels, Field Level Maintenance - repair and return to the Warfighter and National Level. In the future, a network of certified National Maintenance Providers will be created. The National Maintenance Manager will workload Army maintenance infrastructure. "Overhaul" becomes the single maintenance standard, which generated some discussion. Recommendation that the policy should reflect the future. AR 750-1 is being published shortly. FORSCOM has formally asked that the release of AR 750-1 be delayed pending further discussion regarding the single maintenance standard. FORSCOM asked what the "enablers" are to support the standard. Mr. Lowman laid out the implementation strategy for the new policy. Discussion ensued regarding the impact of future force structure and doctrine on this policy.

       e. NPO - Standards, Certification & Resourcing. COL Hills, Director NPO, presented an overview of the National Maintenance Program (TAB I). AMC is the command given the mission, by HQDA, to execute the new maintenance standard. Requirement is to overhaul to a known standard, to an expected life. AMC will have to establish the standard, which will be NSN by NSN for reparables. The field level standard will be to a "SMWR" – a Sustainment Maintenance Work Requirement. AMSAA will help develop the standard. The current COE NSNs will be the baseline for developing the standard. They are synchronized with the Army Recapitalization Program – Zero time/Zero mile overhaul. It is anticipated that this should drive down the overall cost to the Army by increasing component life expectancy. It could also lessen the impact on OPTEMPO. With the new credit policy, the calculations must be done by NSN and the AMSAA "model" needs to be applied to each NSN as well. The projected life baseline is %75 against the expected life of the new item. This impacts on the 02 POM build. This can be phased in, NSN by NSN therefore allowing for synchronization with the budget and TRM. We will be

living with this process for along time given the supply pipeline in motion. There will be a mixture in the pipeline that will be "purged" over time. It is projected that there are 1500 lines that will eventually have the model applied. This is based on current ISM COE and installation GS RX lines. Impact of the NAMI items are unknown. We will need an execution timeline against the budget/POM. Discussion ensued regarding capital improvements for installations to support the new maintenance standard. LTC Ransdell, EUSA, asked about the cost to maintain/upgrade BASOPS equipment. Will AMC (AWCF) share the cost? In the short term, if you don't have the equipment, you won't be certified to repair. For the long term, the AWCF should consider replacement, upgrade of equipment used to support AWCF. Capital Improvement Program (CIP) is an issue. Should we have strategic sites to support the GS base – like Depot core?

       f. AR 750-1 Change Implementation. Mr. Landis, AMSAA, discussed the analysis support to implementing AR 750-1 (TAB J). The two key areas that they are working: aiding in AR 750-1 implementation and cost impacts over the POM. Implementation of AR 750-1 requires assisting in the repair standard development; SMWR development; certification process; and NSN prioritization. Mr. Landis described the initial focus, approach and assumptions. AMSAA's biggest challenge is what is the current expected life of reparable components out in the field now. Data collection is very critical to this effort. The ISM program and EMIS will be the initial source for this data. AMSAA timeline is to develop cost estimates by 20 Nov 99.

       g. National Requirements Determination Process. COL Hills, Director NPO, presented the National Requirements Determination (NRD) process on behalf of Ms. Reyes, NPO proponent (TAB K). The NRD will provide the NMP the resources/inventory to program the work to maintenance activities. USAREUR asked if CASCOM is looking at the force structure within the Materiel Management Centers (MMCs) since their management efforts may decrease under SSF. A discussion ensued about stock positioning. Mr. Cowan, Jr., FORSCOM, suggested that customer "wait time" become a metric and an acceptable customer "wait time" needs to be defined. Discussion ensued regarding the Requisition Objective (RO) policy and business rules that have constrained AMC to accept a roll up of SARSS ROs as the National RO. Discussion ensued regarding the Item Manager codes and Source, Maintenance & Repair (SMR) code and retrograding the item to the supply system for induction at a source of repair. Changing of the SMR code will cause conflict with the Maintenance Allocation Charts (MAC) and would cause a subsequent change in applicable TMs. FORSCOM is advocating a new code that indicates that the component should be repaired to a "SMWR" standard. This issue will be worked by the NPO. NAMI

items will be managed by a Commodity Business Unit established at
TACOM-Rock Island.

     h. Maintenance Model. Mr. Block, AMC NPO, introduced the
National Workload Distribution Model to the Board (TAB L).
Explained the Obligation Authority flow as it relates to the
workload distribution. Mr. Cowan, Jr., FORSCOM, questioned what
happens after the first two years if the workload doesn't
materialize due to lack of anticipated returns. The commitment
to the field is to stabilize the workload through 02. FY 00 & 01
are "stability years", after that, AMC has responsibility for "no
repair to excess". Magnitude of effort: $67M in 00; $70M in 01;
$73M in 02. Workload already programmed through the end of 02
lessens the magnitude of the bidding process. Legal and
statutory limitations are considered within the distribution
model. Source of Repair (SOR) Analysis flow chart should also
consider readiness under directed workload. Some concern was
expressed regarding the SOR flow and the Certified National
Provider (CNP). It was recommended that the identification of
eligible CNPs occurs before any work is allocated. Submission of
Bids flow needs to review prospective bidder's list, which didn't
have "contractors" (A-76) on an installation. Also, the Reserve
Component questioned why RC/ARNG GSMUs are bidding for training
work? Workload Plan flow generated discussion regarding MACOM
interest in where work is performed. On one hand MACOM's don't
care where the work is done, as long as the part is there when
they (units) place the requisition. However, MACOM's have an
interest in workforce alignment. Additional issues being worked
are; Overhaul standards, Certification of National Provider,
Maintenance Contracts, Management Information Systems, and
Funding.

     i. Rock Drill Laboratory. Mr. Mellinger, LIA, provided
background information on the Rock Drill laboratory process (TAB-
M). It was highlighted that LIA doesn't create the model but
builds it based on a definition of the problem with the customer
Subject Matter Experts or "stakeholders". COL Hills, Director
NPO, stated that Supply Policy changes will be modeled before
implementation. We want do the same thing for Maintenance policy
changes to avoid unintended consequences. The maintenance
process flows will be shown for "as is" and "to be". They will
link the current supply model with the maintenance model. He
discussed some key issues. LIA needs to know the metrics. Data
collection is critical. Who will validate the model - NPO? The
model will evaluate impact of decisions, but not make decisions.
LIA is recommending an "interim state" look at the business
process and then an "end state" since the model is "scaleable".
Prime Vendor Support (PVS) was mentioned and the potential impact

on force structure. It was mentioned that RAND was preparing a similar model and CASCOM was asked to sort through this.

k. MACOM Forum/Comments

(1) ARNG Region Reorganization/GSMUs. LTC Bamler/Mr. Cady, ARNG, provided background on the establishment of the ARNG regions (TAB N). The original structure was based on the eight FEMA Cell organization. The ARNG is reducing from 8 to 4 LSMMs to reduce program management costs and "prepare for uncertainties of SSF". At end-state, Areas 1 and 2 merge with Area 5; Area 4 merges with Area 3 and Area 8 was split between both Areas 6 and 7. Mr. Brown, USARPAC, mentioned that the HIARNG is interested in participating in ISM, which the ARNG also noted. There is an apparent lack of guidance/interaction on how to do it. LTC Bamler made some comments regarding the future of the ARNG maintenance structure.

(2) TRADOC Maintenance Conference. The conference results were presented on behalf of COL Revilla by Ms. Rienstra, TRADOC (TAB O). She discussed the purpose and the outcomes of the two-day conference held in late August. The NPO was represented at the forum and briefed the National Workloading model. TRADOC wants to focus on its training mission first and other missions second. Reconstitution of its equipment is critical after every training cycle. TRADOC's Logistics Philosophy, Maintenance Action Plan and Installation "Champions" were presented to the forum. COL Hills, Director NPO, mentioned MACOM concerns regarding unresourced 10/20 maintenance backlog. This backlog is not discussed in any open forums today. Under the NMM, AMC has to maximize the reimbursable labor for component repair. Should this backlog become a metric? Recommend that HQDA ODCSLOG take a look at this issue. TRADOC is also changing its LSMM structure. TRADOC will require the retail stock fund to reimburse DOL for repairs on AWCF effective 1 Oct 99. While not part of the TRADOC Maintenance Conference, TRADOC still has concerns and issues with Specialized Repair Activities (SRAs) particularly with issues raised by Ft. Rucker.

l. ISM Update. Mr. Cargill, AMC NPO, provided an update regarding ISM Implementation (TAB P). He showed the current savings for FY 98 was $26.68M (Goal of $8.0M) and for FY 99 is $18.4M which was achieved in the 3rd quarter. Discussed the change for the PP&C process and how it will change under NMM. There will be a National PP&C (Apr 00) which will feed the FY 02-06 POM. Discussed reshaping of the NSMM with the BPM and the National Level Programs responsibilities being moved to the NPO under Mr. Bucklaw and Mr. King, respectively. The twenty NSMM functions are under are in the ISM BPM. The NPO is evaluating

merging the QA and CNP program and where the responsibility will be. He covered transition planning and associated actions. Discussion ensued regarding transfer of spaces to AMC and the subsequent C2. Under AMC's "Single face to the field" reorganization, the LSE will be designated as C2 for all AMC activities on the installation. They will still be responsible to the Warfighter to ensure readiness and timely support. Mr. Cowan, Jr., FORSCOM, questioned the role of RSMM's in FY 03 POM. How does process work if we don't need all the mechanics, how/who decides where cuts are made? MACOM's need to know in time what to do with excess manpower. Mr. Haufe, USAREUR, asked what are AMC's plans for moving LNs (Local Nationals) TDA spaces to AMC. More level of detail needs to be worked on this.

     m. NSMM Report. Mr. Youngman, NSMM, reviewed the Business Process Manual (BPM) update process and the review of the 20 NSMM Roles and Missions (TAB Q). Mr. Goodman, NSMM, provided the status of the Quality Assurance (QA) program. Showed statistics concerning Quality Manuals and documentation and ISO compliance. Mr. Campbell, FORSCOM, asked if the Depots are being certified. The depot certification process has moved from IOC to the MSCs along with the mission and the depots are certified under CP2. It was agreed that after FY 03 participants in the NMP must be ISO 9002 compliant. It was noted that under SSF MS3, "Green Suit" DS maintainers may need to be compliant since they repair and return components to stock. ISO 9002 training is being conducted for installations and the plan is to put this training in a TRADOC POI. Mr. Goodman asked the MACOMs to provide him information regarding which of the 133 maintenance sites are not participating in ISM so they can focus the QA effort accordingly. The NSMM is available to help the MACOMs in their ISO compliance. The BPM, Chapter 9, has the information regarding QA and ISO compliance.

     n. RSMM/TSMM Performance Metrics. Presentation and discussion of the Performance Metrics was tabled due to lack of time. However, participants were provided copies of the RSMM and TSMM presentations.

     o. LOGSA Capabilities. Mr. Gardner, LOGSA, provided a LOGSA capabilities presentation (TAB R). LOGSA's primary mission is to "provide logistics information and technical support to Warfighters". LOGSA provides a wide-range of products to the soldier in the field. AMC's Logistics Support Elements (LSE) are under LOGSA. FM 63-11 is the doctrine for the LSE. LOGSA provides information to CEAC, which influences the MACOMs' budgets. He provided background information on Logistics Integrated Database (LIDB). It was suggested that the NPO use LIDB to establish the baseline for SSF metrics.

LIDB "live" Demonstration. Ms. Ellul, LOGSA, provided a demonstration of the LIDB Phase one. LIDB provides a single entry point on one login. LIDB is based on commercially available products. By FY02, LIDB will replace the multiple logins and access to all the LOGSA databases. Login IDs and passwords to the LIDB may be obtained from the LOGSA HomePage.

   p. **AMC Storefront/LCOE.** Mr. Hudgins, AMCOM, provided an update of the current AMCOM LCOE concept (TAB S). The future of this program is looking at providing a single AMC face to the Warfighter. An IPT, with AMCOM lead, is looking at the links between LCOE, NMM and SSF. USAREUR asked if the Order-Ship Times (OST) to other regions increased with the forward positioning of weapon system unique stocks at Ft. Bliss and Ft. Sill. AMCOM did not see an increase in OSTs. It was asked if the LCOE stocks will transition to the AWCF stocks under SSF, vice having two stockpiles. It was emphasized that the LCOE is more than inventory and includes maintenance capabilities that don't currently exist at the installation. HQDA is concerned about the impact on the Congressionally legislated 50-50, public/private split. AMC MSCs are reporting their portion of the ALCOE work with their respective MSC and not under the ALCOE "banner". TRADOC asked what are the concerns with DLA and these forward positioned stocks? AMC used the "slice" for DLA to fund the GOCO supply operation portion of the LCOE. He finished with discussing the new ALCOE capabilities put in place in Korea.

   r. **Transition to National Maintenance Board**. COL Hills, Director NPO, related that change is a constant process in the Army and the business must continue to work as we transition to better practices. ISM is transitioning and the Corporate Board needs to transition as well. The issues that the forum should address go beyond the National Maintenance Program. We need to identify the issues, fixing the responsibility, work/staff the issue and bring it back for resolution. MACOMs and MSCs need to come back with comments and thoughts regarding the direction of the forum by 15 Oct 99. It was agreed that the forum should be Co-Chaired by HQDA and AMC NPO. Also, MACOMs should consider composition of the forum regarding attendance. AMC NPO will prepare a draft charter for MACOM review.

   s. **Wrap-up and Adjournment**. COL Hills, Director NPO, thanked the ISM Corporate Board members for their participation over the two-day session. The board will meet tentatively in the January 2000 timeframe, but under a different "banner" and co-chaired by HQDA and AMC. He also reminded the participants that there would be a SSF GOWG in between these sessions.